GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:1721
ANSWERED ON:02.08.2001
REVIVAL OF JUTE MILLS
AJAY CHAKRABORTY

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have referred to BIFR to prepare a package for the revival of six jute mills under the National Jute Manufacturers Corporation (NJMC);

(b) if so, the details thereof;

(c) whether BIFR have prepared the revival package in this regard so far;

(d) if so, the details of revival package and the action taken by the Government thereto; and

(e) if not, the time by which the said package is likely to be prepared by the BIFR?

Answer

MINISTER OF STATE FOR TEXTILES (SHRI V. DHANANJAYA KUMAR)

(a) & (b) : NJMC was referred to BIFR in 1993 under the provisions of Sick Industrial Companies Act, 1985 (SICA).

(c), (d) & (e) : BIFR directed the Government to consider chances of revival of individual mills of NJMC and/or the company as a whole either through privatization or under the ownership/management of Government of India. As per the directions of BIFR, the Ministry of Textiles, keeping in view the interest of the workers, has prepared an Action Plan for NJMC which interalia proposes sale of units to workers cooperatives first, failing which to state Governments, public sector/private sector. It has been proposed that the mills may be handed over to the buyers with the condition that they will continue to run these mills at least for 10 years and safeguard the interests of permanent workers. This plan has been submitted to the BIFR on 27.06.2001. BIFR considered the proposal of the Government and directed Operating Agency (IIBI) to submit draft rehabilitation scheme within 14 weeks.